(c) what steps are proposed by Government to ensure that leakages and frauds are prevented in this matter; and

(c) reasons for allowing low import duty on import of scrap iron meant for re-export, etc.?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) and (b) Import of metal scrap is allowed without a license subject to the conditions laid down in Para 2.32 of the Handbook of Procedures. The policy for such imports provides that metallic scrap should not contain hazardous, toxic waste, radio-active material. Import of metallic scrap in shredded form is allowed through all ports and does not require a Pre-Shipment Inspection Certificate at the time of the clearance of goods. Import of metallic scrap in unshredded, compressed and loose form is allowed only through specified ports and requires a Pre-Shipment Inspection Certificate to the effect that the consignment does not contain any type of arms, ammunition, mines, shells, cartridges, radio-active contaminated or any other explosive in any form either used or other-wise.

(c) and (d) As a part of the tightening of the regime governing import of heavy metallic scrap, Government has laid down certain new guidelines and procedures in consultation with other Ministries including Home Affairs, Steel, Revenue and Shipping. The regime for import of metallic scrap is under constant review by the Committee of Secretaries.

Blacklisting of agencies issuing pre-Shipment Inspection certificates

2269. DR. M.A.M. RAMASWAMY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether after the last year's explosions in and around Delhi caused by live shells imported as scrap, DGFT black listed a number of agencies authorised by it to issue Pre-Shipment Inspection (PSI) certificates;

(b) if so, the details of such companies;

(c) whether live shells are still being imported as scrap; and

(d) if so, the stringent action being taken or proposed to be taken in this regard by Government?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) and (b) Yes, Sir. It has been decided to suspend the following agencies from Appendix 'V' of the Hand Book of Procedures.

(i) M/s. Gulf Inspection International Co. (KSC),Kuwait.

(ii) M/s. Alex Stewart Internatioanl Corporation, Rotterdam.

(iii) M/s. BSI Inspectorate Ltd. Essex.

(iv) M/s. Shin Nihon Kentei Kyokai, Japan.

(v) M/s. Intertek Group Plc, London.

(vi) M/s. Bureau Veritas, Madagaskar.

(vii) M/s. WLSI Group and Affiliates, USA.

(viii) M/s. American Assessors (India) Pvt. Ltd., Hyderabad.

(c) and (d) The policy for import of metallic waste and scrap stipulates that the consignment should not contain any type of arms,ammunition, mines, shells, cartridges or any other explosive material in any form either used or other-wise. Certain instances were brought to the notice of the Government wherein false Pre-Shipment Inspection certificates had been issued and in some cases there was recovery of ammunition in the imported metal scrap. The Government has taken stringent action against these Pre-Shipment Inspection agencies listed under Appendix - V of the Handbook of Procedures by deciding not to accept the Pre-Shipment Inspection certificates issued by these agencies until a thorough investigation of the matter has been undertaken and conclusions are arrived at by following the due process of law.

Increase in import of agricultural products

2270. SHRI T.T.V. DHINAKARAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that import of agricultural products has gone up during the last two years;

(b) if so, the details thereof; and